

FILED

APR 18 2016

Edwards,Michelle

**From:** Heidi L. Slinkard [HLSlinkard@wilkinsonlaw.com]  
**Sent:** Monday, April 18, 2016 10:18 AM  
**To:** Azar, George; DeBaun,Curtis; Morris,Don; Auler,Amy; Elliott,Earl; Nasser,Karrum;  
Nation,Todd; Garrison,Neil; Crossen,Martha  
**Cc:** Edwards,Michelle  
**Subject:** Overview of Resolutions 5 and 6  
**Attachments:** Resolution Overview Memo to City Council 04182016.pdf

CITY CLERK

Members of the City Council,

We have introduced two related Resolutions which will appear on your May agenda. I know that April was quite hectic with the apartments, trash ordinance, and fire fighter issues (among other things), so I wanted to provide you a one page summary of the issues I have placed before you for May.

I have had an opportunity to speak with a few of you already this month, but welcome the opportunity to meet and discuss Resolutions 5 and 6 in more detail with the rest of you at your convenience. I have information I can share with you during a meeting regarding the chain and the franchise in general, including a rendering of the design proposed for this site. I look forward to the opportunity to speak with you in person. Please let me know when you may be available for coffee or lunch and if you have any questions in the meantime.

Thank you,  
Heidi

**Heidi L. Slinkard**

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To: Members of the Terre Haute City Council

From: Heidi L. Slinkard, 812-917-2834  
HLSlinkard@wilkinsonlaw.com

Date: April 18, 2016

Re: Resolution 6, 2016 – Tax Abatement &  
Resolution 5, 2016 – Zoning Overview

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The following is an overview of two Resolutions we filed and will present in May on behalf of Pete Patel (Gurukrupa Hospitality Inc.). I would be happy to meet and discuss any questions you may have regarding the Project. My email and direct telephone number are listed above.

**Resolution 6, 2016 – Tax Abatement**

Our client has acquired a conditional purchase agreement for property located on Margaret Drive between Cracker Barrel and the Fairfield Inn & Suites and east of the recently demolished Econo Lodge. The purchase agreement is conditioned upon successful tax abatement and zoning approvals. Our client has also acquired a franchise agreement with La Quinta Inns & Suites for this location at an initial term of 20 years and conditioned upon the same approvals. As a result, our client seeks a 9-year Real Property Tax Abatement for the Project described below.

**Project:** Construction of a new La Quinta Inns & Suites hotel

- 4-stories tall and 45,940 ft<sup>2</sup>
- ~80 guestrooms, meeting space, breakfast serving area, fitness room, patio, indoor pool and hot tub, and ~115 parking spaces
- Real Property Improvements: ~\$4,650,000
- Personal Property Improvements: ~\$1,500,000
- 17 Jobs (14 full-time / 3 part-time) resulting in \$250,643 in new payroll (226,658 full-time / \$23,985 part-time)
- Job Retention – new positions for those who have lost or will lose their jobs due to nearby hotel downsizing and motel demolition
- Targeted Community Needs Met: additional room count/hotel industry fills a need required for successful support of tourism efforts and community investment (past and future)

**Current Property**

- Assessed Value: **\$6,700**
- Annual Real Property Tax: **\$200**
- Est'd Property Tax for next 9 years: **\$1,800**
- Est'd Property Tax for next 20 years: **\$4,000**

**Project's Addition to Current Property:**

- Add'l Assessed Value: **\$4,650,000**
- Add'l Annual Real Property Tax: **\$139,500**
- Est'd Add'l Property Tax next 9 years with Abatement: **\$563,580**
- Est'd Add'l Property Tax next 20 years with Abatement: **\$2,098,080**

**Resolution 5, 2016 – Zoning**

The Property for the Project discussed above is currently zoned C-3, as are the other hotels in the area with the exception of the Holiday Inn on 3<sup>rd</sup> Street and the Hilton Garden Inn on Wabash. In the County, a hotel is a Permitted Use for Zone C-3; however, in the City one must request City Council approval for a hotel to be a Permitted Use in Zone C-3. Our client requests that the City Council allow a hotel as a Permitted Use on the Zone C-3 Property discussed above as it did for the new one on the east side of town and others in the same area as this Project with the same zoning.